



Corporate social Responsibility and Employees

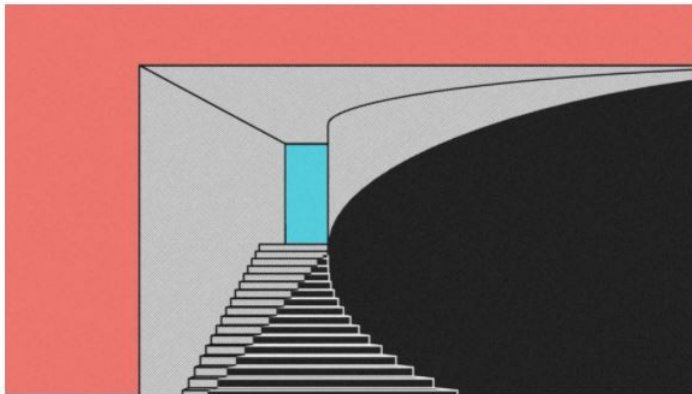
Magali Delmas
UCLA



02-14-19 | WORLD CHANGING IDEAS

Most millennials would take a pay cut to work at an environmentally responsible company

Nearly 40% of millennials have chosen a job because of company sustainability. Less than a quarter of gen X respondents said the same, and 17% of baby boomers.



[Image: VLPA/iStock]



BY ADELE PETERS 1 MINUTE READ

“More than 70% said that they were more likely to choose to work at a company with a strong environmental agenda.”

Also

“...if a company had a strong sustainability plan, it would affect their decision to stay with that company long term.”

And

“Another 30% said that they’ve left a job in the past because of the company’s lack of a sustainability plan.”

Source: Peters, A., (2019, February 14). Most millennials would take a pay cut to work at an environmentally responsible company. Retrieved from <https://www.fastcompany.com/90306556/most-millennials-would-take-a-pay-cut-to-work-at-a-sustainable-company>



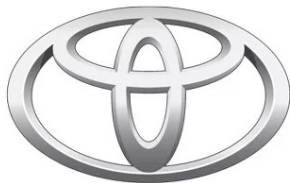
Johnson & Johnson



≡ adidas®



HONDA



SONY®

TOYOTA

L'ORÉAL
PARIS



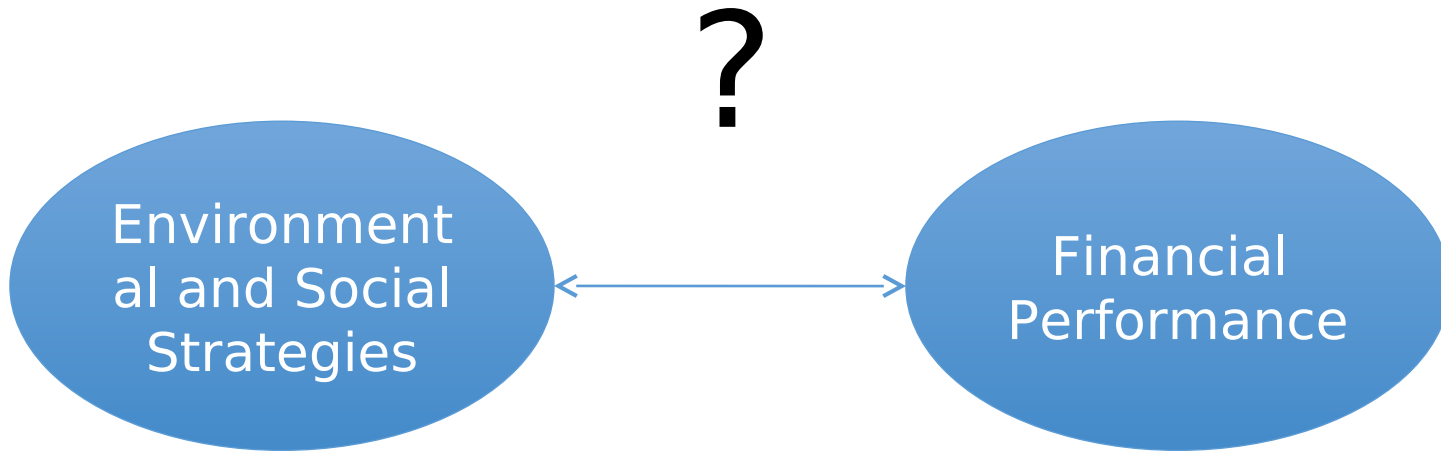
Google

NOKIA

Coca-Cola

Panasonic

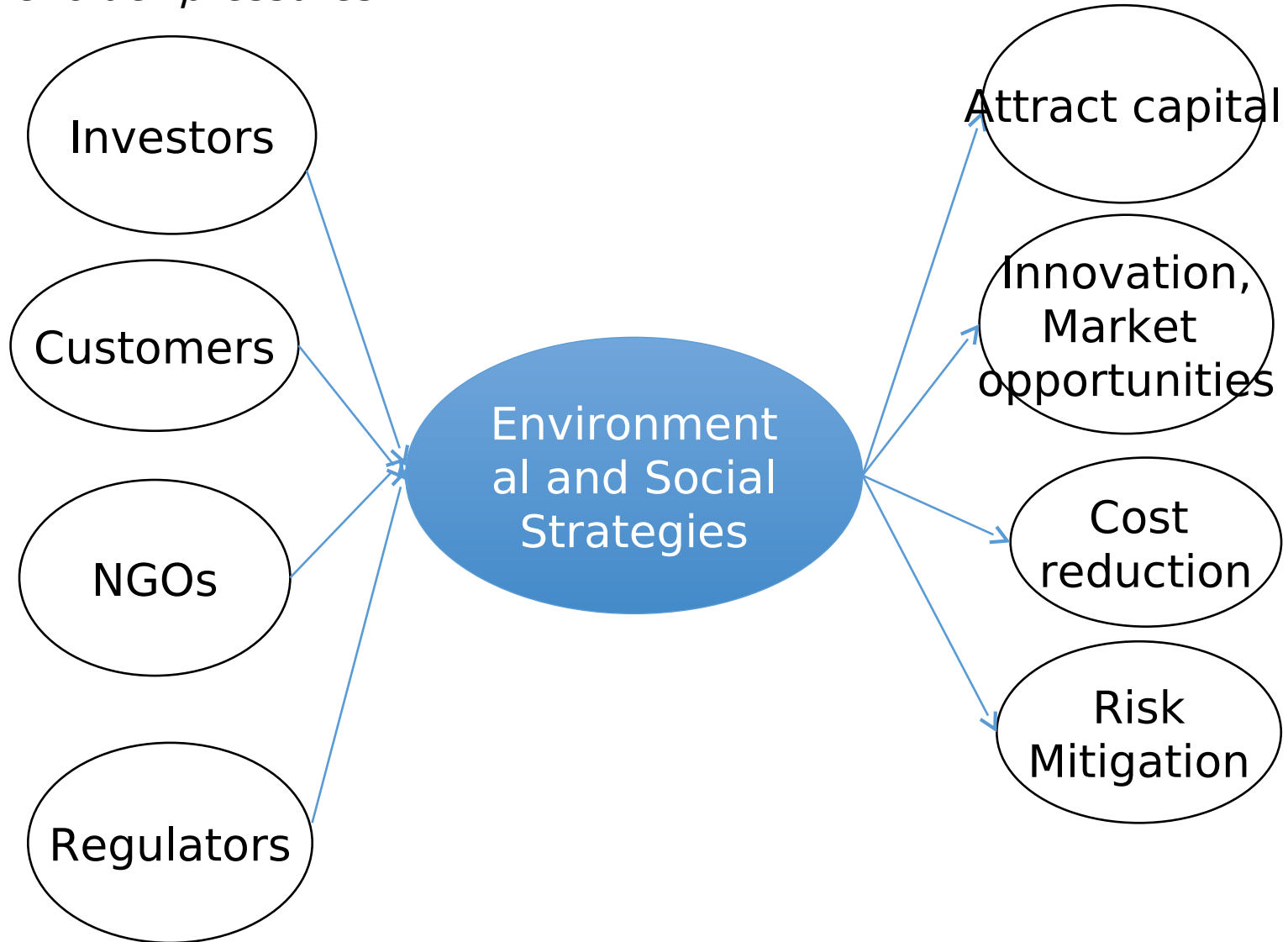
Does it pay to be Green?



Does it pay to be green?

Stakeholder pressures

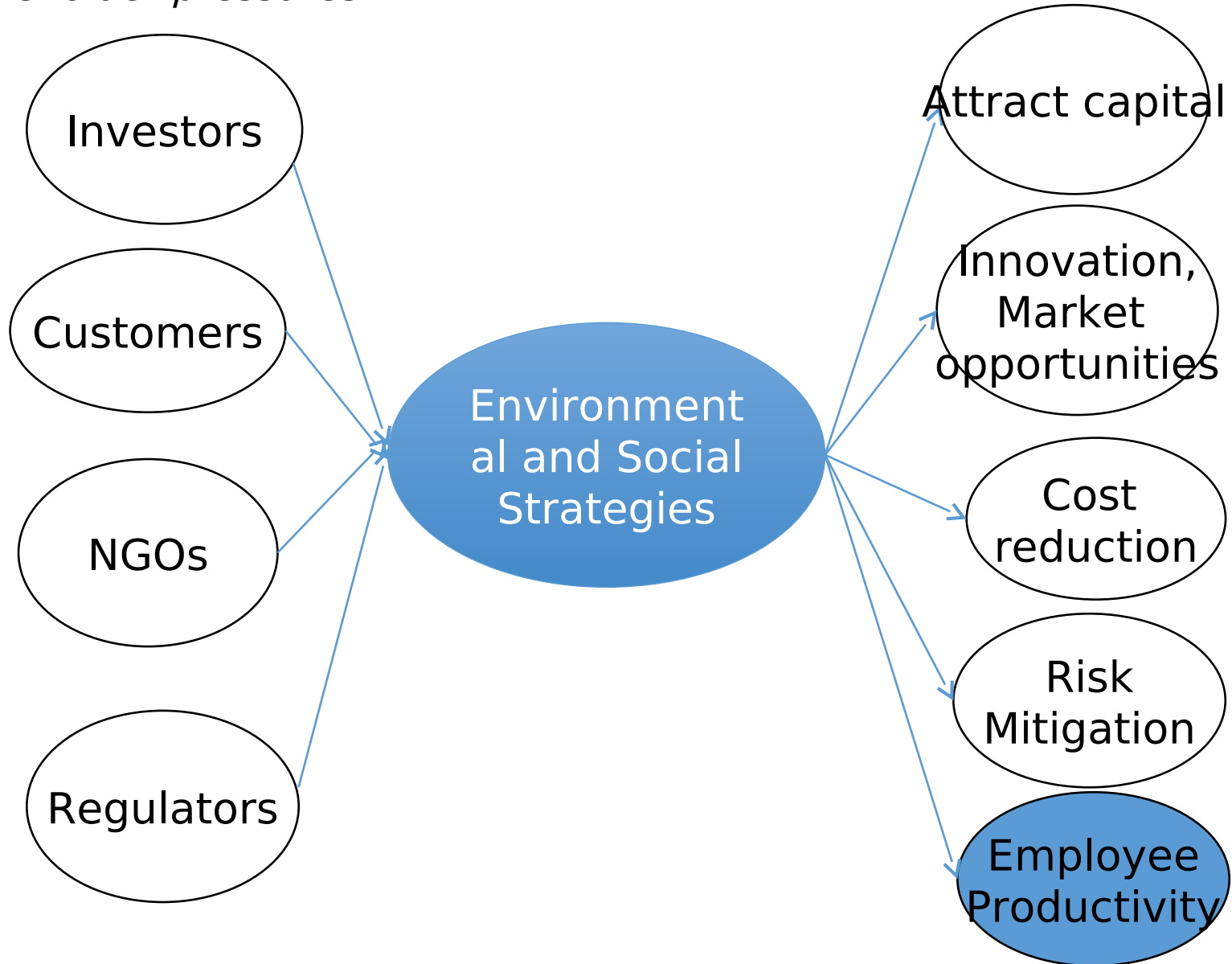
Performance



Does it pay to be green?

Stakeholder pressures

Performance



Are green companies managed
differently?

Opening the organizational black box

World's 'Most Admired' Companies Also Are Sustainability Stars!

- Sustainable Brand
- *FORTUNE World Most Admired Company* list rates companies on nine attributes:
 - innovation, people management, use of corporate assets, **social responsibility**, quality of management, financial soundness, long-term investment, quality of products/services and global competitiveness.
 - Thousands of senior executives, outside directors and industry analysts are independently surveyed.
- <http://fortune.com/worlds-most-admired-companies/apple/>
- Best Global Brands
 - <http://fortune.com/2015/08/27/green-giants-freya-williams/>
 - <http://interbrand.com/best-brands/best-global-brands/2017/ranking/>
- Location of the Best 100 Companies for Flexible Green Jobs
 - <https://www.flexjobs.com/company-guide/green-jobs>

FORTUNE ALL STARS Industry

- 1 Apple Computers
- 2 Amazon Internet Services and Retailing
- 3 Microsoft
- 4 Walt Disney Entertainment
- 5 Berkshire Hathaway
- 6 Starbucks Food Services
- 7 Alphabet
- 8 JPMorgan Chase
- 9 Costco Wholesale
- 10 Salesforce

How Leading Global Companies Are Using Sustainability As A Market Differentiator

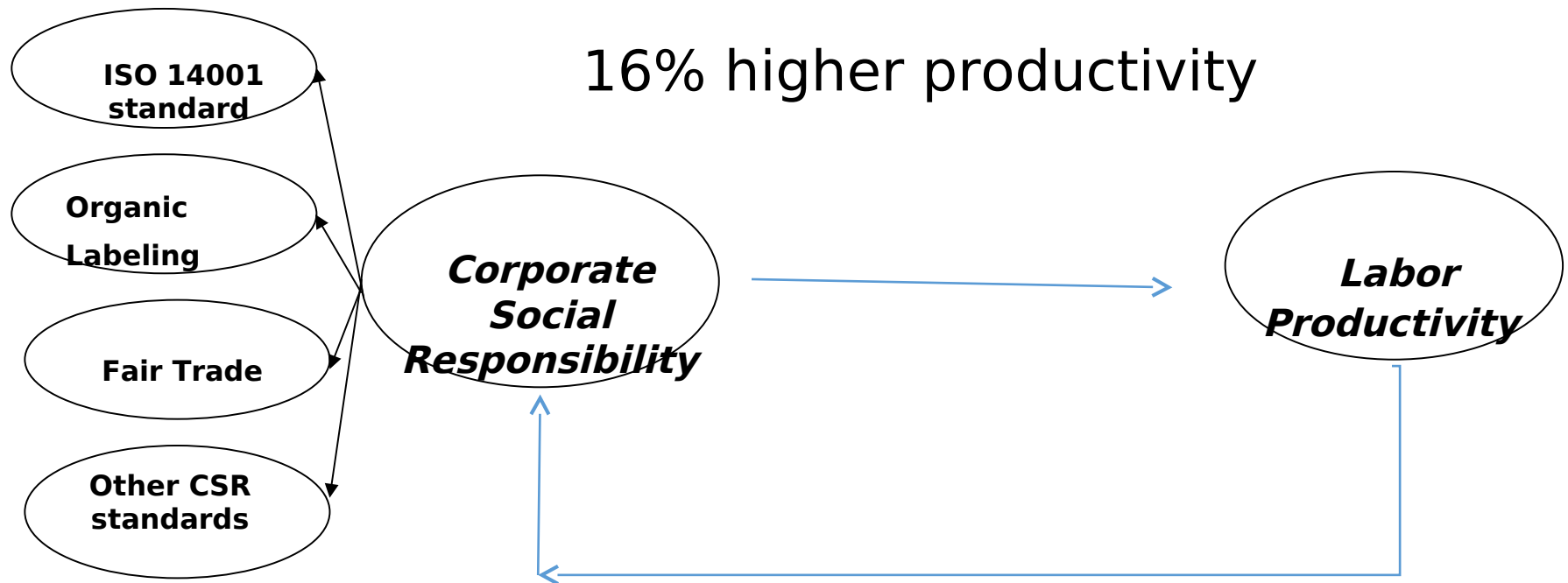
- **Amazon:** [Amazon launched a \\$2 billion](#) Climate Pledge Fund aimed at investing in companies that build products, services, and technology to “decarbonize” the earth. This fund will help Amazon and other companies meet [The Climate Pledge](#) — an initiative to be net zero carbon by 2040 — ten years earlier than the Paris Agreement taken by other countries. Other companies that are part of the pledge include Verizon and Infosys.
- **Apple:** [Apple committed to being 100% carbon neutral](#) in their entire business including supply chain and product life cycle by 2030. Other promises include building a recycling robot to better dismantle Apple tech to recover rare earth materials that can be reused in other devices. Dave, the new robot, will join Daisy the other line of disassembling robots that Apple already uses. Apple is a cult favorite and with these initiatives they are likely to stay that way.
- **Clorox:** They’ve committed to making [90%](#) of their product packaging recyclable. That one simple act could have a hugely positive impact on keeping plastic packaging out of landfills around the world.
- **Salesforce:** They consider the [environment a key stakeholder](#) in their business. The company has already achieved net-zero greenhouse gas emissions globally and delivers a carbon neutral cloud. Each year they release a stakeholder impact report in order to be upfront about their sustainability achievements. Salesforce is a clear leader in this field and one to emulate.

Business as Unusual Survey (Net Impact)

- **Next-generation leaders expect companies to integrate social and environmental issues into business practices to succeed.**
- 93% think focusing on social and environmental issues is very important or essential to a business' long-term success
- **Students report over half the schools have new curricular or co-curricular innovations** in how they integrate social or environmental impact themes.
- **Students are willing to make sacrifices for a job that makes a difference.** According to the survey, 83% are willing to take a 15% salary cut for a job that makes a social or environmental difference in the world, a notable increase over last year.
- **Source:** <https://www.netimpact.org/about/press-releases/annual-net-impact-survey-highlights-impact-mba-program-trends-and-rankings>

The adoption of environmental and social practices
is associated with greater labor productivity.

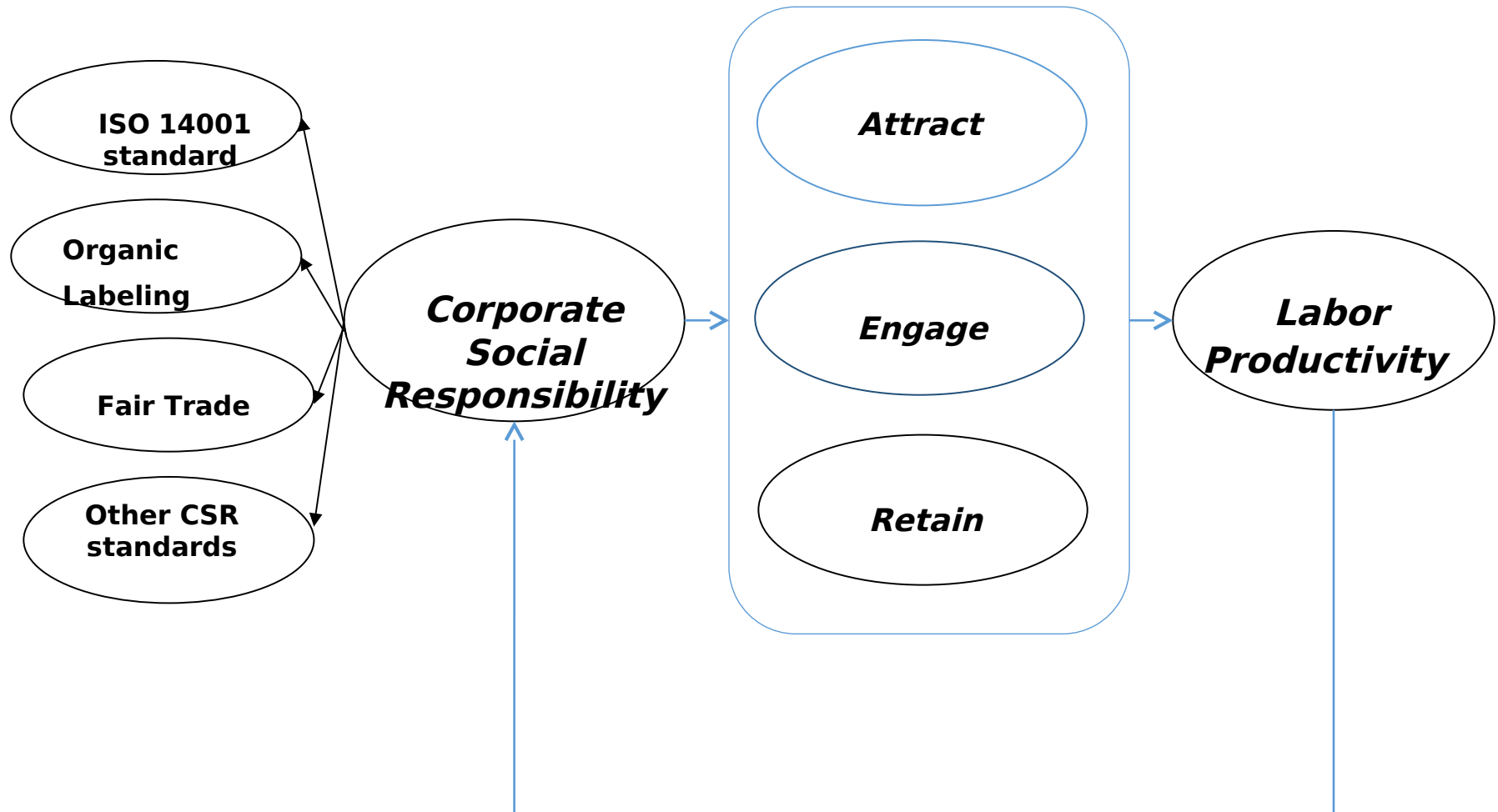
Dermas and Pekovic (2012). *Journal of Organizational Behavior*.



Survey of 10,663 employees from 5,220 firms

*The adoption of environmental and social
practices
is associated with greater labor productivity*

Employees







Gary Erickson: “I have a responsibility to the **people** of Clif Bar. We want to sustain a business **where people can live, not just make a living**. We believe that if we provide meaningful work as well as something beyond work, people will do their jobs well and lead healthier, more balanced lives.”



use of renewable energy, eco-friendly packaging, organic ingredients.



Our employees are our most valuable asset.

We actively support and reward their efforts to pursue their passions in the workplace, at home, and in the community.



We know that each person's ideas, personal and professional well-being, and enthusiastic involvement are essential to the sustained success of our organization — and crucial to the quality of work-life balance our employees deserve.

<http://www.adobe.com/corporate-responsibility/employees.html>

- “Green initiatives are being held in higher regard by firms' employees and as a result have become a key battleground in the war for talent.”

- [Chartered Institute for Personnel and Development](#) (CIPD)

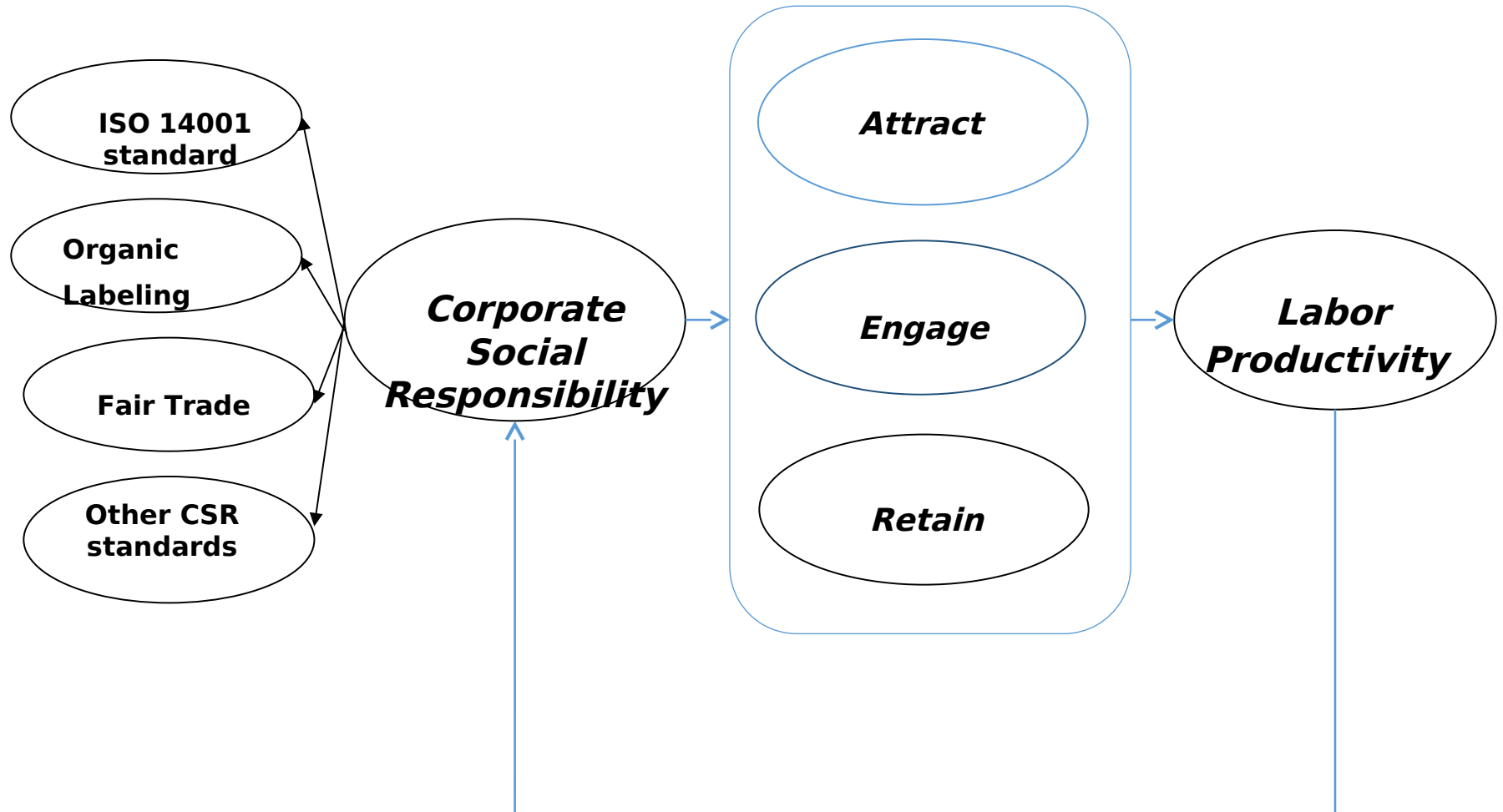
- Top 5 outcomes from sustainability initiatives:

- 1. Improved **employee** morale
 - 2. More efficient business processes
 - 3. Stronger public image
 - 4. Increased **employee** loyalty
 - 5. Increased brand recognition

- (Survey of managers. Society for Human Resource Management, 2010)

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Employees



Attract potential employees

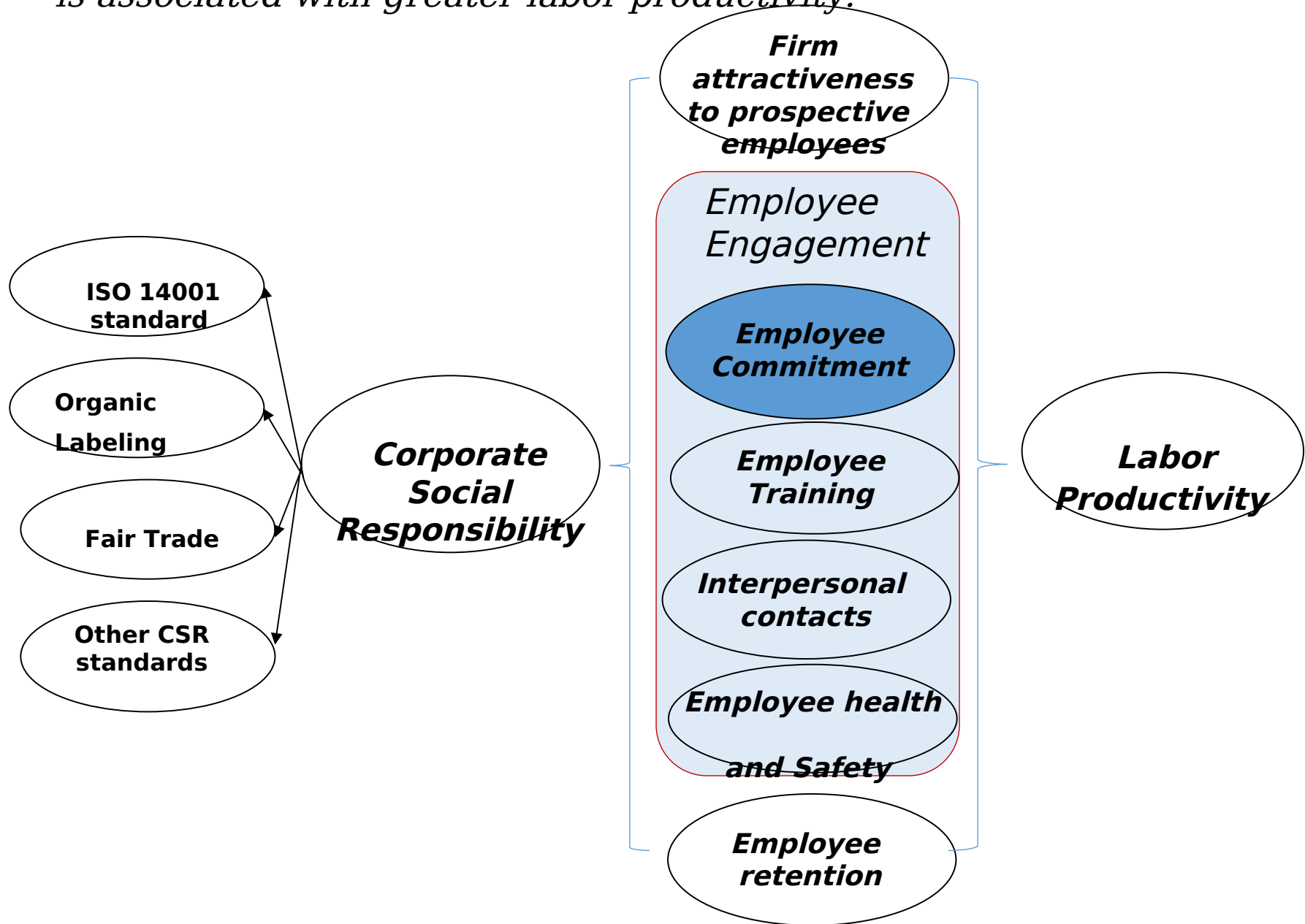
- 3/5 of the graduates and potential employees rate ethical management as an important factor in their job search
 - (Accenture in 2004. World Business Council for Sustainable Development).
- 68% of the students in a global survey by disagreed that salary is more important than a company's social and environmental reputation when deciding which company to work for
 - (GlobeScan in 2003).
- A company with a green reputation improves firm attractiveness to prospective employees so firms can choose most productive individuals



- Mission statement:
 - Making the best outdoor products while doing the least damage to the environment (recycled fleece, organic cotton).
- Donates 1 percent of its annual sales to environmental groups. Each year Patagonia lets 40 employees take paid **two-month** internships with an environmental group.
- Patagonia has **900** applicants for every job opening at headquarters.



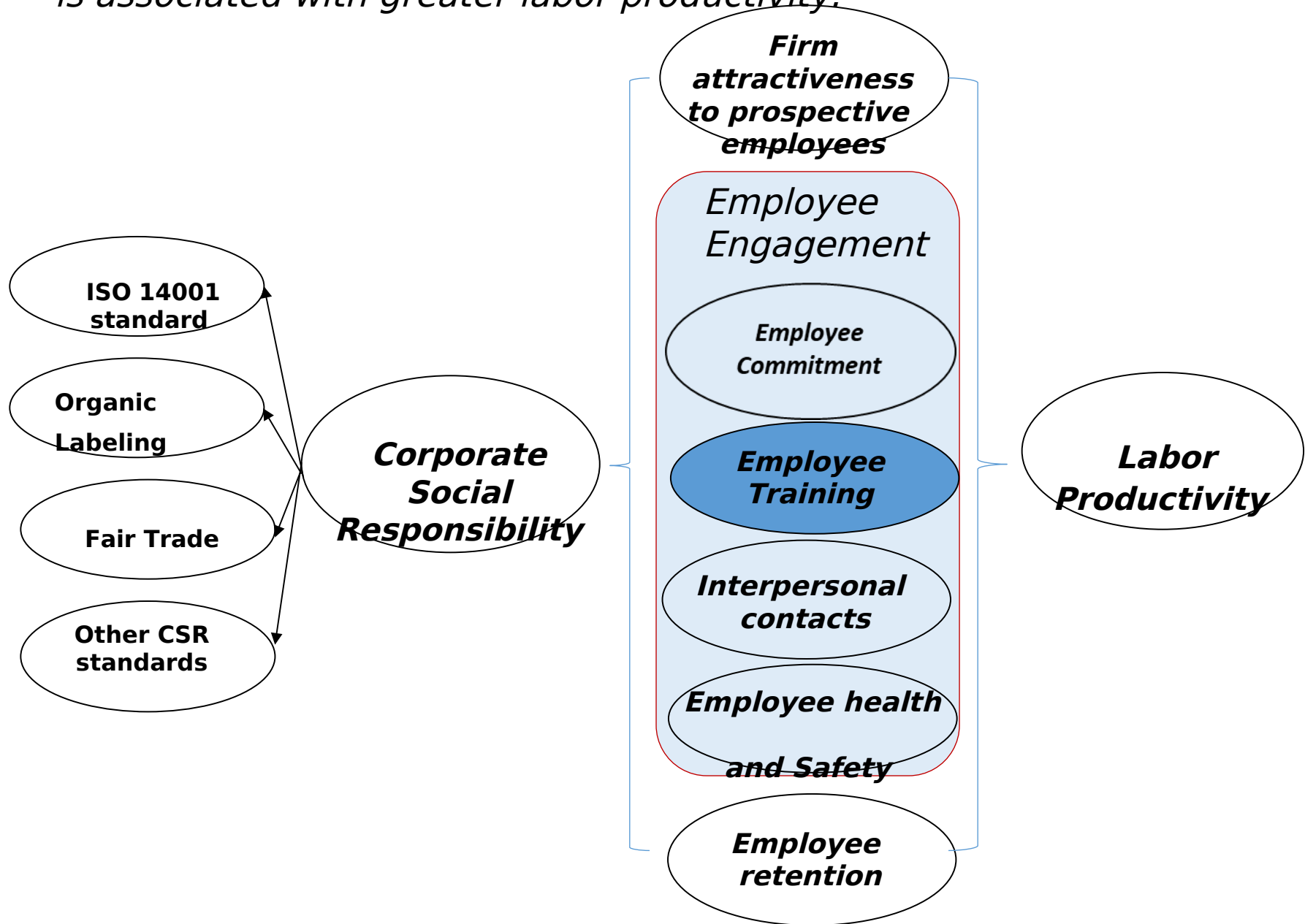
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ENGAGE: Commitment



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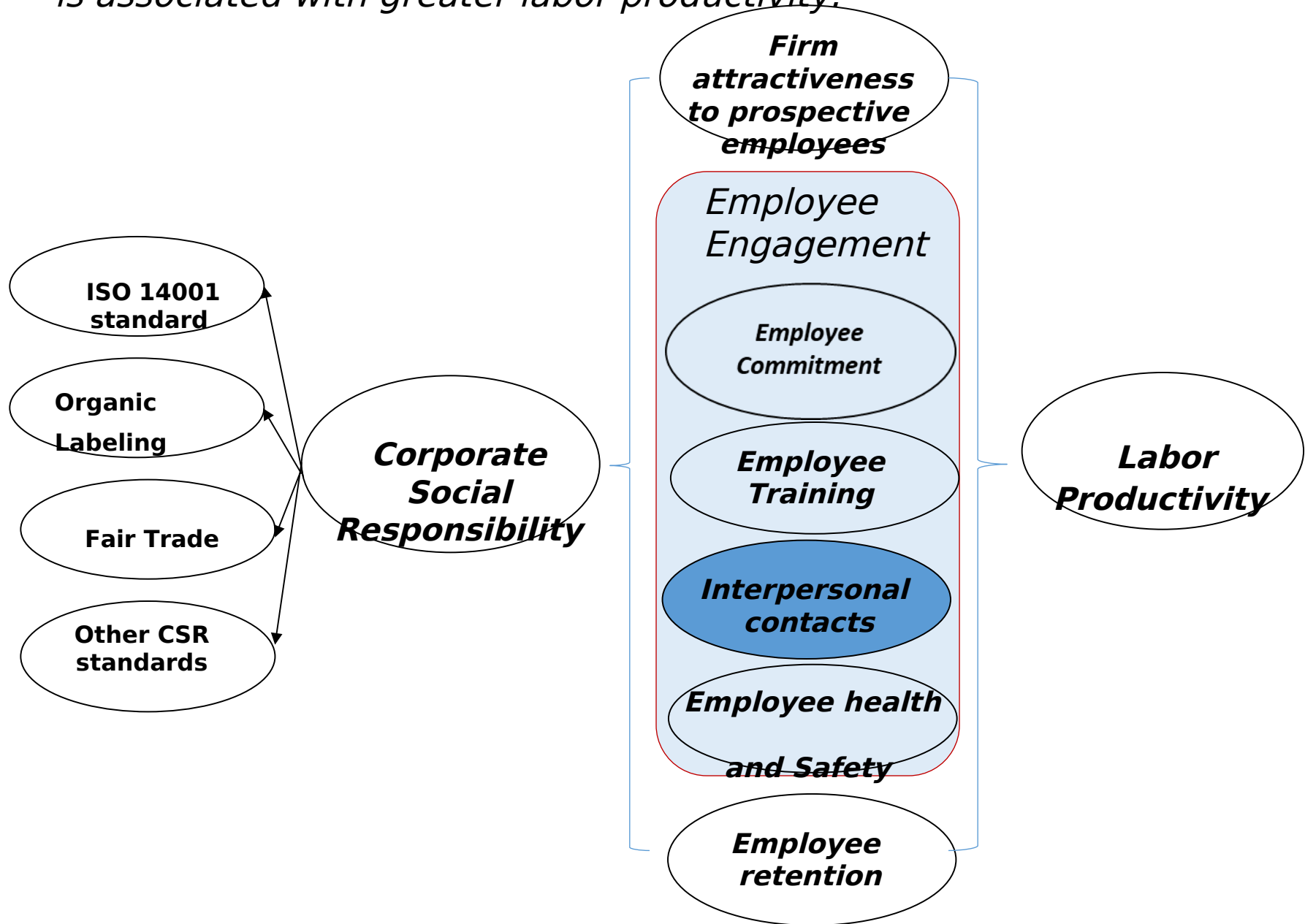


ENGAGE: Employee training



- Best Buy: from selling products to delivering digital connections
 - “Our employees are crucial in our ability to deliver sustainable solutions to our customers. They link what we do as a business with the need of our customers,” Mary Capozzi ([Best Buy’s senior director for corporate responsibility](#))
- Training:
 - Environmental awareness reduces the likelihood of "dirty hands," fines and damaged reputations for breaching laws or moral norms
 - Better knowledge of safety practices in the organization (reduction of health exposure for employee and organization)

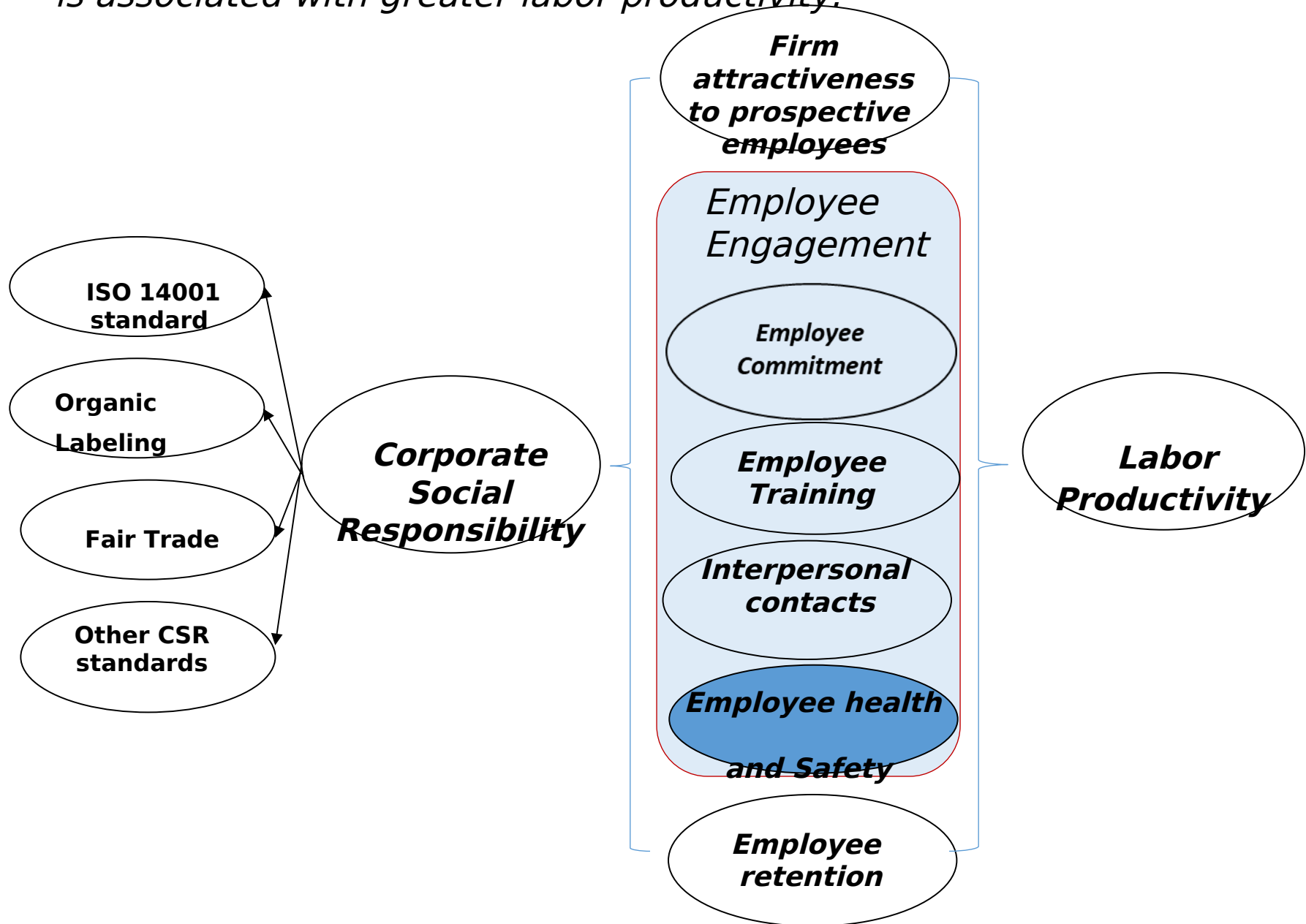
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Engage: Interpersonal contacts

- Environmental standards require the development of cross functional teams, therefore enhancing interpersonal contacts.
- Group volunteer programs in community encourage teamwork
 - Putnam Investments, **Blue Cross Blue Shield of MA**, **Staples**, **AT&T**, have used volunteer projects as team-building opportunities. Managers reported that their staff worked better together after participating in a group volunteer event.
- Enhanced interpersonal contacts lead employees to give more to the firm and increase their productivity

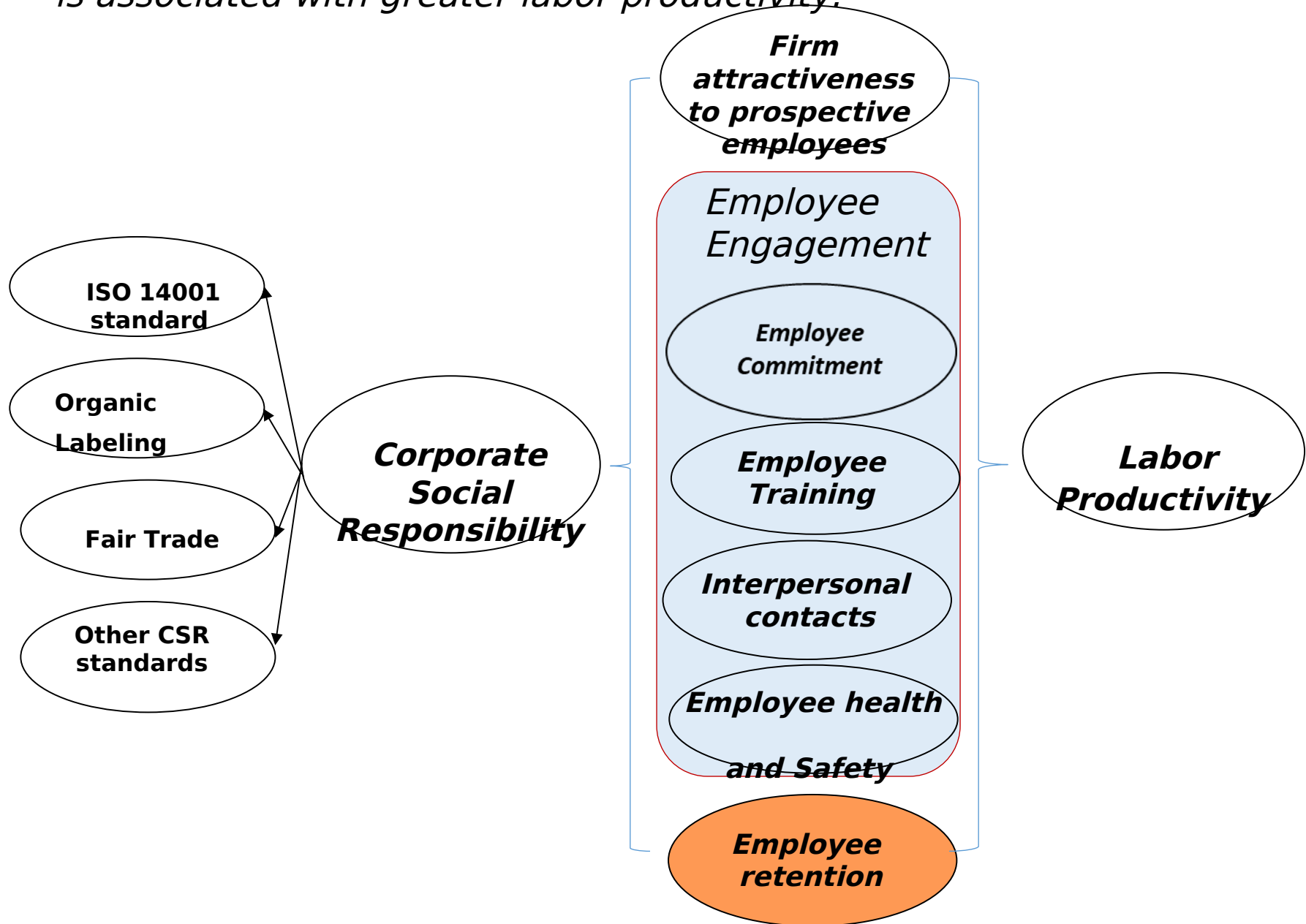
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ENGAGE: Employee health and safety

- Environmental standards have a positive impact on the environmental conditions in the workplace (less chemicals, better air quality) that might help employee stay healthy and therefore more productive
- Ambrose hotel
 - Greening of the hotel had positive effects on the morale of the employee. For example, the housekeeping staff reported fewer headaches and allergies since switching to non-toxic cleaning products
- Wine industry
 - Survey of French organic wineries who said they adopted organic practices to protect the health of their employees and children

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Employee retention

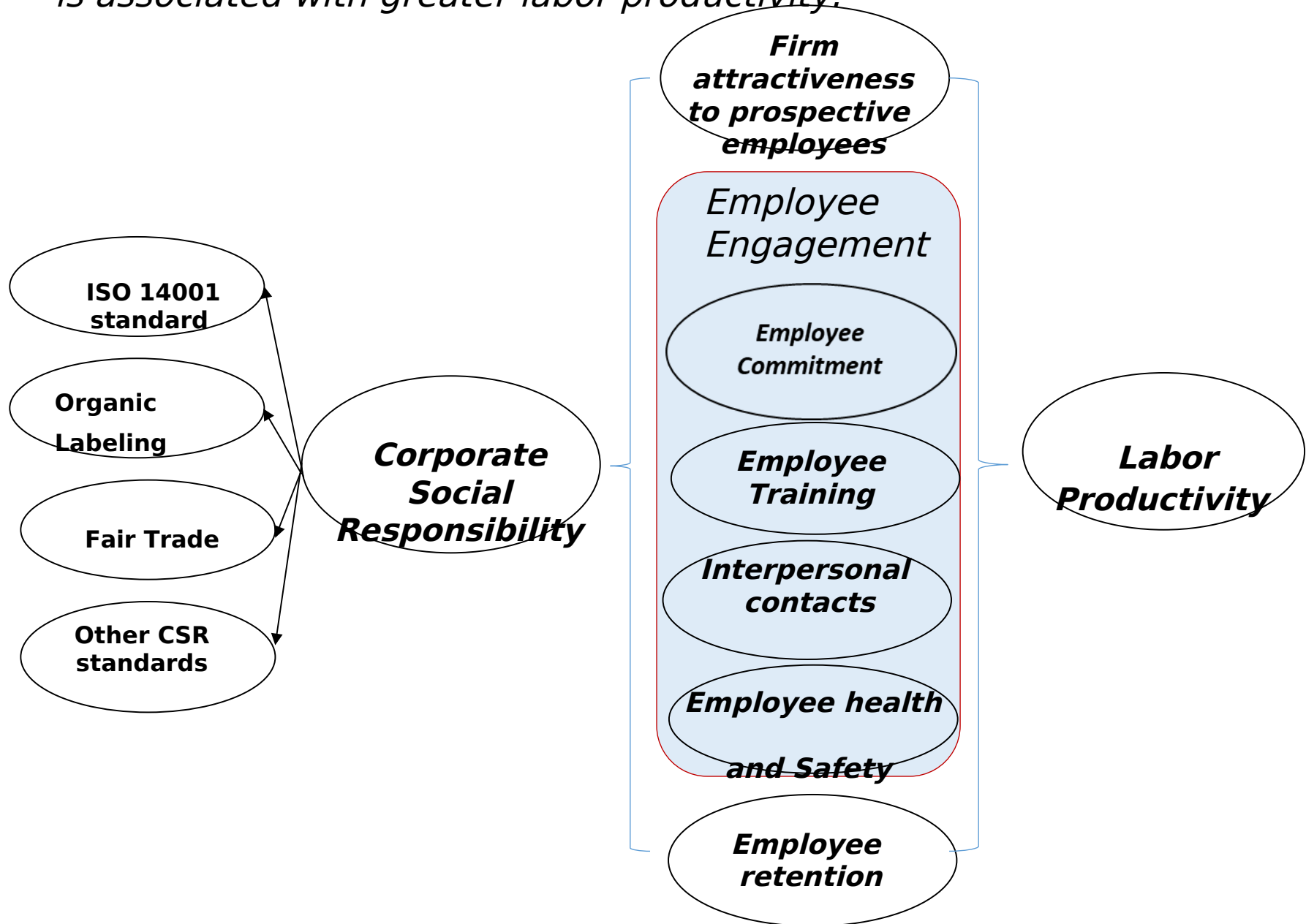
- Turnover costs include productivity losses during training, recruiting and lost work while a position is vacant.
- Average cost of replacing an employee
 - 30-50% of the annual salary of entry-level employees
 - 150% of middle level employees,
 - up to 400% for specialized, high level employees
- Engaged and committed employees stay longer in firms



- Stated goals:

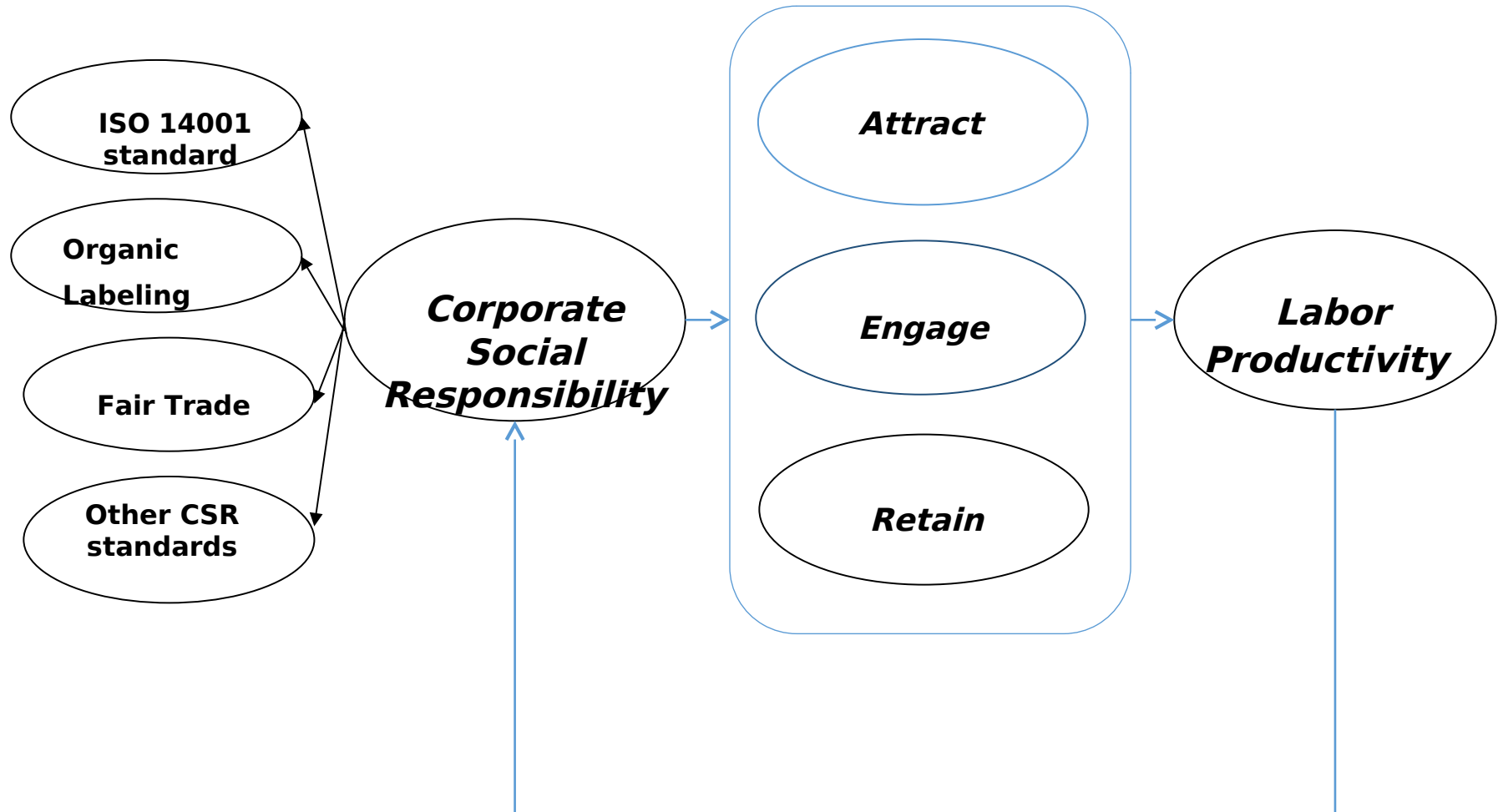
- Become the authentic outdoor brand of choice by providing inventive and practical products to our consumers
- Be the business partner of choice by providing distinctive value to our customers
- **Be a top employer of choice globally**
- **Be the reference for socially accountable business globally**
- Deliver exceptional financial performance for shareholders
- High levels of employee engagement, a 8% voluntary turnover as compared to competitors (15%).

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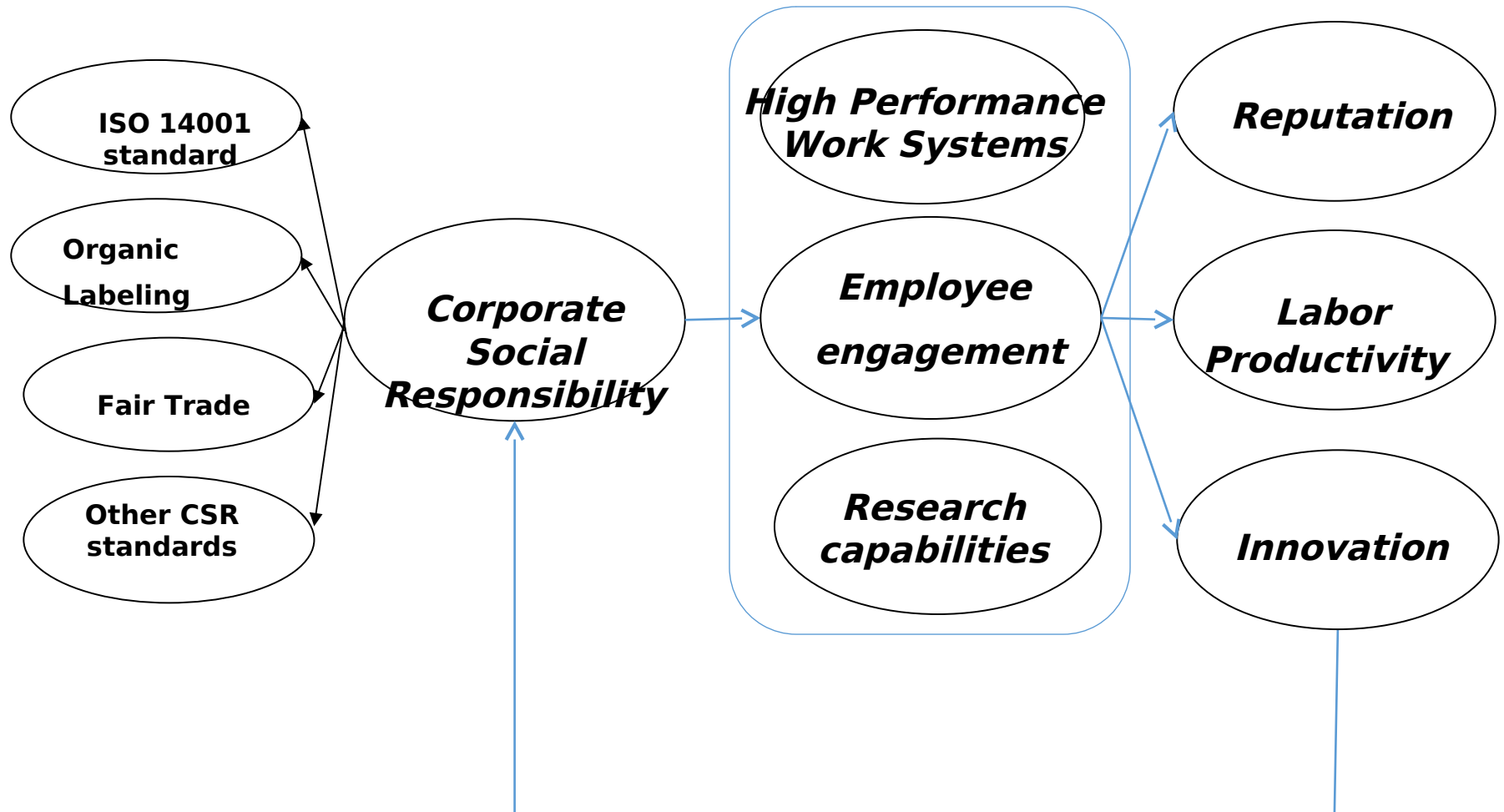


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Employees



Environmental and social practices and performance.



The Tip of the Iceberg?

Environmental
Management Practices

Training

Team work
Inter-
organizational
Relations

**Human Resources
Management
Practices**

Quality
Management Systems



Business and the Environment Careers - Areas & Companies

- Marketing:

- [Apparel](#)
- [SAP](#)

- Finance:

- Sustainable Analysts/ ESG specialists
 - [MSCI](#)
- Big Banks: JP Morgan Chase, Barclays, Goldman Sachs, Citi Group
- Asset Managers: Vanguard, [Blackrock](#), [Capital Group](#) (LA Based), [PIMCO](#) (Newport Based), [Wells Fargo](#)



Business and the Environment Careers - Areas & Companies

● Consultants:

- Business Strategy: Providing advisory services to their clients around ESG, CSR, and sustainability
 - [McKinsey](#), Deloitte, KPMG, EY, Bain & Co., BCG
 - Many of these roles are for general analysts and you would want to get on a sustainability focused team
- Environmental Strategy: More focused on energy, emissions, and climate change strategies through engineered solutions
 - [AECOM](#), Jacobs, Tetra Tech Inc.

Business and the Environment Careers - Areas & Companies

- Retail ? Consumer Services
 - [Disney](#), Walmart, [Amazon](#)
- Technology
 - [Apple](#), Microsoft, [Facebook](#)
- Consumer Packaged Goods
 - Nestle, Soylent, [Beyond Meat](#)



Business and the Environment Careers - Areas & Companies

- Energy and Resources:

- [Tesla](#), First Solar, NextEra Energy
- Weyerhaeuser



- Start Ups (Green Tech):

- Inspire Clean Energy (Santa Monica) - Internet of Things
- <https://BuiltinLA.com>; <https://lincubator.org/startups/>



Skills

- Data skills
 - Experience in R Statistical software, Tableau, Access, SQL, Adobe Illustrator, Life Cycle Assessment (LCA) Tools (Simapro or Gabi)
 - Strong mathematical skills, with experience analyzing, reporting, and summarizing data
- Knowledge of framework
 - Knowledge of 3rd party sustainability certifications and environmental labeling schemes
 - Experience with environmental reporting, including with reporting frameworks and questionnaires like GRI, SASB, CDP, etc
 - Expertise in sustainability communications and reporting against sustainability frameworks (e.g., GRI, SASB, CDP, TCFD)
- People skills
- Social Media skills

Tips and suggestions for searches

- LinkedIn: Get on LinkedIn
 - It's a huge network of companies and recruiters
 - Use it to find interesting companies with interesting jobs
 - Then find people to network with (UCLA alums!!!)
 - Don't be afraid to reach out
- Corporate Sustainability/ESG/CSR reports
 - If a company has a report, they have people whose job it is to generate the report
 - Find who they are on LinkedIn and who in your network they are connected to
 - All the large public companies have sustainability/ESG/CSR/green roles
 - Keep in mind they might not be their own 'division' of the company
- Search Local
 - Mattel, Disney etc... have openings and like UCLA. They have a good alumni network
- Get a Master

Masters



Master of Environmental
Management (MEM)

Yale SCHOOL OF
THE ENVIRONMENT



Master of Environmental Management
Master in Sustainability and Development



UC **SANTA BARBARA**
Bren School of Environmental
Science & Management

Master of Environmental Science & Management



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